



House of Representatives

General Assembly

File No. 147

February Session, 2004

House Bill No. 5216

House of Representatives, March 18, 2004

The Committee on Judiciary reported through REP. LAWLOR of the 99th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT CONCERNING THE FORMATION OF LIMITED LIABILITY COMPANIES TO RENDER PROFESSIONAL SERVICES BY LICENSED OR CERTIFIED ALCOHOL AND DRUG COUNSELORS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subdivision (23) of section 34-101 of the general statutes,
2 as amended by section 61 of public act 03-18, is repealed and the
3 following is substituted in lieu thereof (*Effective October 1, 2004*):

4 (23) "Professional service" means any type of service to the public
5 that requires that members of a profession rendering such service
6 obtain a license or other legal authorization as a condition precedent to
7 the rendition thereof, limited to the professional services rendered by
8 dentists, natureopaths, chiropractors, physicians and surgeons, doctors
9 of dentistry, physical therapists, occupational therapists, podiatrists,
10 optometrists, nurses, nurse-midwives, veterinarians, pharmacists,
11 architects, professional engineers, or jointly by architects and
12 professional engineers, landscape architects, real estate brokers,

13 insurance producers, certified public accountants and public
14 accountants, land surveyors, psychologists, attorneys-at-law, licensed
15 marital and family therapists, licensed professional counselors,
16 licensed or certified alcohol and drug counselors and licensed clinical
17 social workers.

18 Sec. 2. Subsections (b) and (c) of section 34-119 of the general
19 statutes are repealed and the following is substituted in lieu thereof
20 (*Effective October 1, 2004*):

21 (b) [A] Except as otherwise provided in this subsection, a limited
22 liability company may be formed to render professional services
23 provided: (1) Each member of the limited liability company must be
24 licensed or otherwise authorized by law in this state or any other
25 jurisdiction to render such professional services; (2) the limited liability
26 company will render only one specific type of professional services
27 and services ancillary to them and may not engage in any business
28 other than the rendering of professional services for which it was
29 formed to render and services ancillary to them; and (3) the limited
30 liability company may render its professional services in this state only
31 through its members, managers, employees and agents who are
32 licensed or otherwise legally authorized to render such professional
33 services within this state. A limited liability company that will render
34 professional services by licensed or certified alcohol and drug
35 counselors may only be formed pursuant to subdivision (2) of
36 subsection (c) of this section.

37 (c) A limited liability company may be formed to render
38 professional services rendered by members of two or more of the
39 following professions: (1) Psychology, marital and family therapy,
40 social work, nursing and psychiatry; or (2) medicine and surgery,
41 occupational therapy, social work and alcohol and drug counseling;
42 provided [(1)] (A) each member of the limited liability company must
43 be licensed or otherwise authorized by law in this state or any other
44 jurisdiction to render any of the types of professional services specified
45 in subdivision (1) or (2) of this subsection, [(2)] (B) the limited liability

46 company will render only the types of professional services specified
47 in subdivision (1) or (2) of this subsection and services ancillary to
48 them and may not engage in any business other than the rendering of
49 professional services for which it was formed to render and services
50 ancillary to them, and [(3)] (C) the limited liability company may
51 render its professional services in this state only through its members,
52 managers, employees and agents who are licensed or otherwise legally
53 authorized to render any of the types of professional services specified
54 in subdivision (1) or (2) of this subsection within this state.

This act shall take effect as follows:	
Section 1	<i>October 1, 2004</i>
Sec. 2	<i>October 1, 2004</i>

JUD *Joint Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill states certain professions can jointly form a limited liability company. The bill has no fiscal impact.

OLR Bill Analysis

HB 5216

AN ACT CONCERNING THE FORMATION OF LIMITED LIABILITY COMPANIES TO RENDER PROFESSIONAL SERVICES BY LICENSED OR CERTIFIED ALCOHOL AND DRUG COUNSELORS**SUMMARY:**

By law, people licensed to offer the same professional services may form a limited liability company (LLC) to offer those services. This bill allows certain mixed professional groups to form LLCs. The affected professionals are licensed doctors and surgeons, occupational therapists, social workers, and alcohol and drug counselors. The bill specifies that any LLC an alcohol and drug counselor forms be of this mixed type. LLCs are currently authorized for mixed groups of licensed psychologists, marital and family therapists, social workers, nurses, and psychiatrists.

The bill requires that (1) each LLC member be licensed or otherwise authorized by Connecticut law or in any other jurisdiction to render such services; (2) the LLC render only those professional services for which it was formed or services ancillary to them; and (3) the LLC render its services in Connecticut only through its members, managers, employees, and agents who are licensed or otherwise legally authorized to do so.

EFFECTIVE DATE: October 1, 2004

COMMITTEE ACTION

Judiciary Committee

Joint Favorable Report

Yea 39 Nay 0